

# MEDIUM AND LONG TERM PUBLIC DEBT

## MINISTRY OF FINANCE REPUBLIC OF PERU

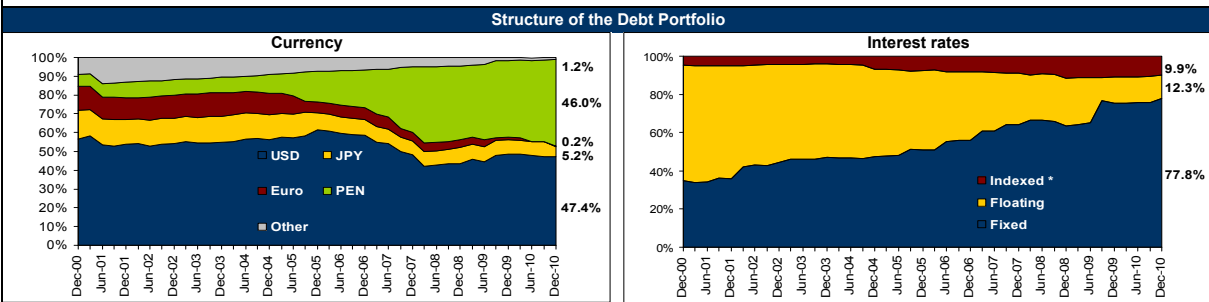
NATIONAL DIRECTORATE OF PUBLIC INDEBTEDNESS  
ANALYSIS AND PROGRAMMING DIRECTORATE



### QUARTERLY REPORT : PUBLIC DEBT ANALYSIS, as of DECEMBER 31, 2010 1./

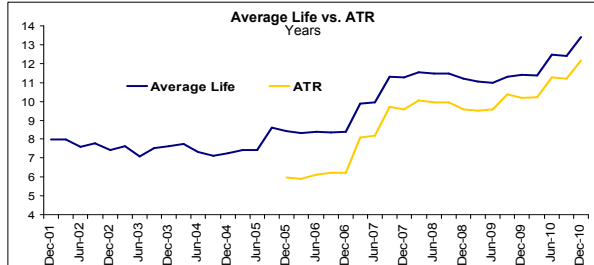
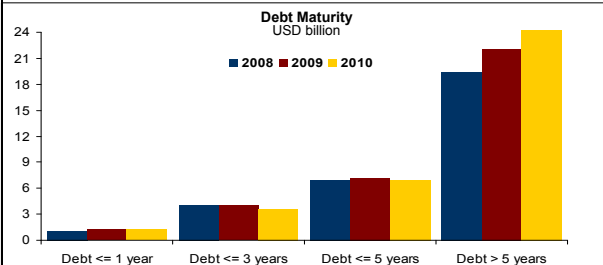
At the end of 2010, the public debt stock amounted to USD 34.0 billion, higher in 6.6% compared to the previous year. This increase is explained by a greater amount of disbursements compared to the payments. Obligations from the capital market increased by 19.8%, which represent 58% of the total portfolio. On the other hand, the percentage of debt in nuevos soles increased from 40.7% to 46.0% and the fixed rate from 75.6% to 77.8% while the average life of the portfolio increased from 11.4 years to 13.4 years. In the year 2010, the Republic of Peru executed liability management operations for an amount of approximately U.S. \$ 4.5 billion, highlighting by its magnitude the external bonds exchange and tender (U.S. \$ 1.8 billion) and the prepayment of bilateral and multilateral loans (U.S. \$ 1.6 billion). The debt management operations are making possible to reduce amortization payments and decrease market risk, especially the risk associated with the exchange rate.

Public Debt Stock, December 2010							Decomposition of the Stock Variation, Dec 2009 - Dec 2010 (USD Mill.)*				
Categories	Stock (USD Mill.)	Present Value (USD Mill.)	Average Life (years)	Duration (years)	ATR (years)	Debt Cost in USD (%)	Currency	Stock	FX Effect	Net Effect	Total Variation
<b>Market</b>	<b>19,738</b>	<b>22,554</b>	<b>16.99</b>	<b>9.08</b>	<b>16.95</b>	<b>6.70</b>	USD	16,087	-453	556	103
Global Bonds	9,386	11,516	18.02	9.12	18.02	7.52	PEN	15,632	0	2,306	2,306
Sovereign Bonds	10,150	10,814	16.21	9.11	16.21	5.94	JPY	1,765	247	-927	-680
Other Bonds	201	224	7.89	6.04	3.71	6.68	Other	478	-65	-480	-545
<b>TOTAL</b>	<b>33,963</b>	<b>34,397</b>	<b>13.40</b>	<b>7.85</b>	<b>12.17</b>	<b>5.82</b>	<b>TOTAL</b>	<b>33,963</b>	<b>-271</b>	<b>1,455</b>	<b>1,183</b>
<b>Non Market</b>	<b>14,225</b>	<b>11,844</b>	<b>7.37</b>	<b>5.49</b>	<b>4.13</b>	<b>4.33</b>	* It is measured in PEN but expressed in USD.				
Paris Club	2,536	2,524	6.97	5.15	6.97	4.30					
Multilaterals	7,887	8,031	7.22	5.55	2.42	4.36					
Suppliers	40	36	4.85	4.23	4.60	4.93					
Others	3,762	1,253	9.17	6.02	9.10	4.22					

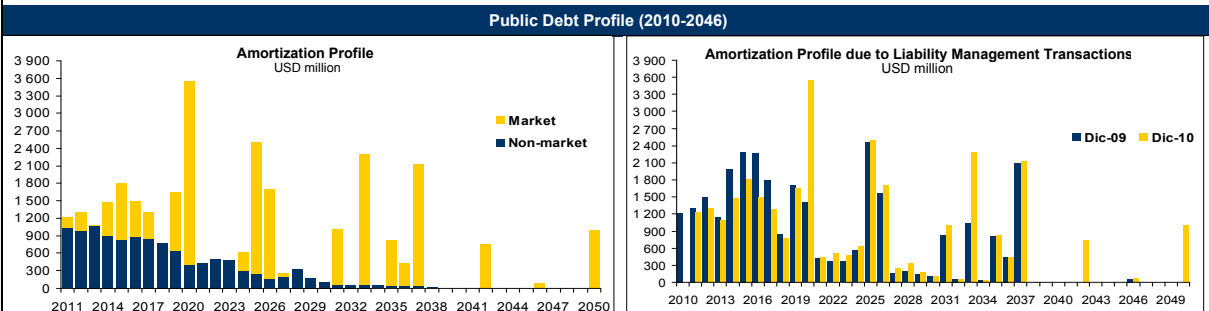
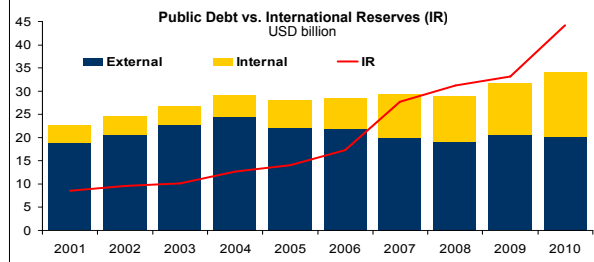
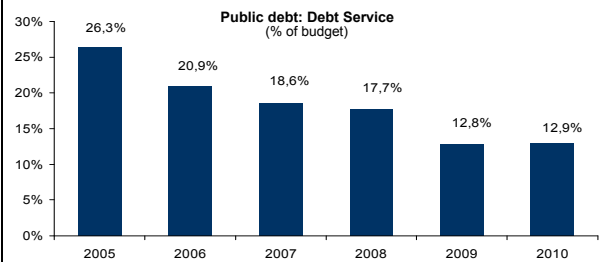


Note: Percentage of the synthetic debt in local currency is 4.9%.

\* The indexed debt includes Sovereign Bonds (2.6%) and Pension Bonds (7.3%).



ATR: It is the average of maturity in which a new interest rate for the public debt has to be refinanced. This indicator is equal to the average life when all the debt is in fixed interest rate.



1./ All the figures are based on the official statistics that include swap transactions. For the year 2010, there is an adjustment of \$ 330.05 million corresponding mainly to the unwind of the part of hedge of euro bonds involved in the exchange of global bonds executed in April 2010.